

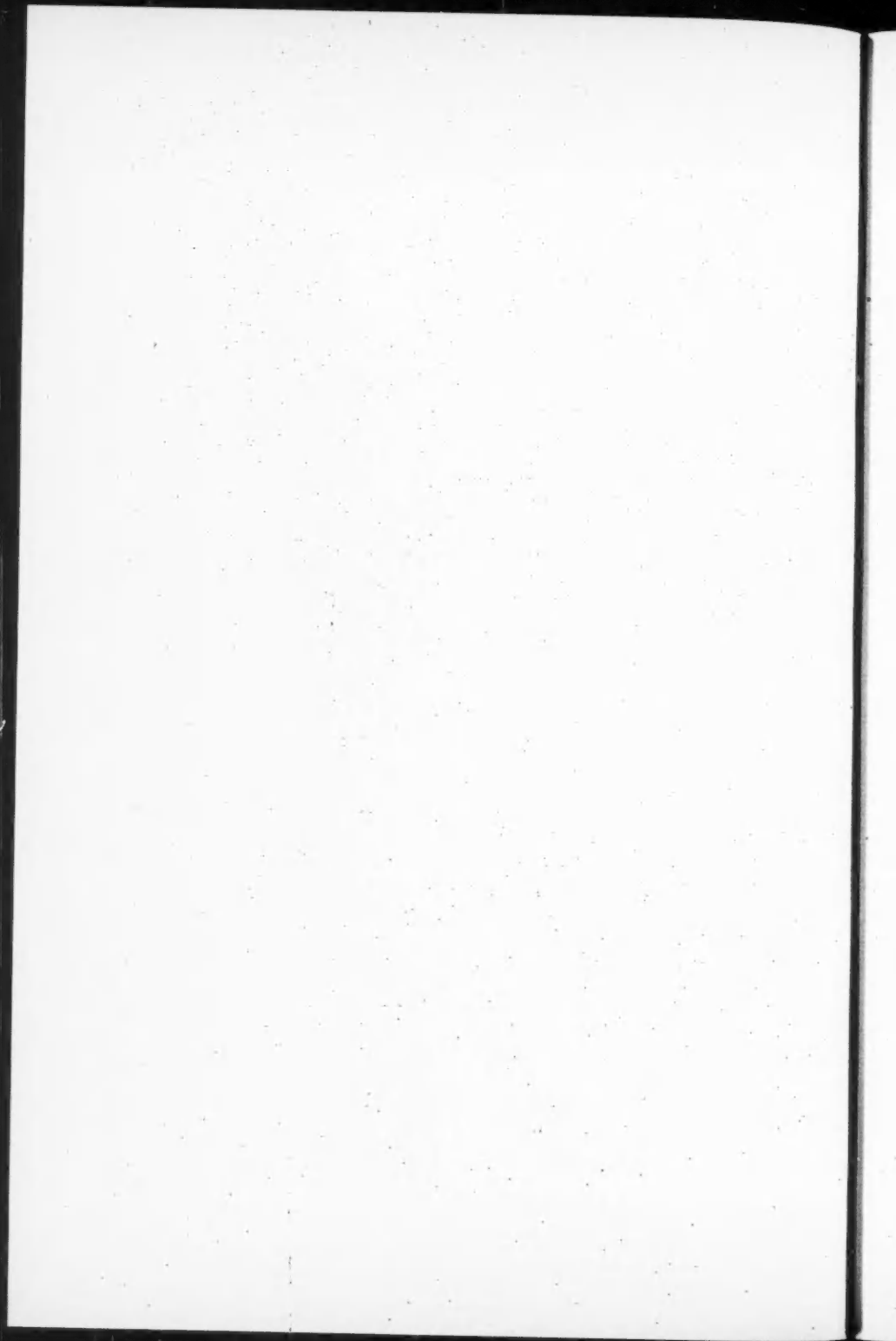
# **B**ERLIN CRISIS AND GERMAN REUNIFICATION

by

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## BERLIN CRISIS AND GERMAN REUNIFICATION

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**D**ECISIVE CHANGES in the condition of divided Germany and divided Berlin seem in prospect for the year 1959, although the form they will take cannot now be foreseen. Russia's ultimatum of Nov. 27, calling for removal of Allied forces from West Berlin within a period of six months clashed head on with prior (and subsequent) Western pledges to remain in the Communist encircled city. Both sides have threatened use of force under certain circumstances, and it is recognized that Berlin has the possibility of becoming the Sarajevo of a third world war. Western statesmen are convinced, however, that Moscow neither wants nor can afford global war at this time. And cautious hopes are expressed in Western capitals that developments out of the Berlin crisis will open the way to negotiations with Russia for a general European settlement.

The final paragraph of the communique on the Berlin problem, issued Dec. 16 after a meeting of the North Atlantic Council, read as follows:

The Council considers that the Berlin question can only be settled in the framework of an agreement with the U.S.S.R. on Germany as a whole. It recalls that the Western powers have repeatedly declared themselves ready to examine this problem as well as those of European security and disarmament. They are still ready to discuss all these problems.<sup>1</sup>

Permission for the January visit to the United States of Anastas I. Mikoyan, First Deputy Premier of the Soviet Union, was granted while the NATO foreign ministers were meeting in Paris. Mikoyan will have opportunity while in Washington to carry on exploratory talks looking to the new "meeting at the summit" which for more than a year has been an objective of the men in the Kremlin. A firm American condition for another heads-of-government

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<sup>1</sup> A Tass dispatch, Dec. 12, had said: "The Soviet Union favors a meeting of the heads of government . . . with the aim of discussing all the mature questions which are of importance to the participants in the meeting, taking into account the interests of each side. Such a meeting should pursue the aim of easing international tensions but not the aims of the cold war." See "Conference Diplomacy," *E.R.R.*, 1958 Vol. II, pp. 611-613.

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conference has been that a successful outcome be virtually guaranteed by agreements reached at advance meetings of high officials of the Big Four.

A first stumbling block in any new negotiations with the Russians would be the long-standing Western demand for reunification of Germany by free all-German elections. A reunited Germany is considered by Washington, London, and Paris to be a prime essential to enduring peace in Europe. But Moscow holds that the future government of Germany is a problem for solution by the Germans themselves. Because both East and West Germany are now sovereign states, the Russians maintain that the German question has ceased to be a Four Power responsibility.

While seemingly anxious to talk with the West on Berlin and other aspects of the German problem, the Russians have implied a series of Soviet conditions to be met before a conference of the big powers could be held. The Soviet news agency Tass stipulated on Dec. 11 that the conference would have to be "a meeting of equal sides" and this was taken to mean that Russia wants, not a four-power conference, but a six-power conference in which she would have the support of Poland and East Germany. The West has repeatedly rejected proposals for satellite representation at big power political talks; it would not be likely to accept East German participation in future talks because that might amount to de facto recognition of the East German regime.

An 11-page memorandum delivered to all NATO members on the eve of the recent meetings in Paris has been viewed as an outline of what subjects Russia would like to have considered at a high-level conference. The memorandum lumped together virtually every proposal affecting Europe put forward by the Kremlin since 1950; the U.S. State Department labeled the note "propaganda," but nevertheless gave it close study. One purpose of the Mikoyan mission to Washington is said to be to find out whether the United States would be prepared to modify some of the positions it has maintained throughout the cold war.

#### SOVIET THREAT TO STATUS OF WEST BERLIN

The present East-West war of nerves over Berlin opened Nov. 10 with a pledge by Premier Khrushchev to the East Germans that "the Soviet Union, for its part, will hand over

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those functions in Berlin which are still with Soviet organs to the sovereign German Democratic Republic."

For a time it was feared that the Russians would act without allowing time for discussion. The Soviet ambassador to West Germany hinted Nov. 21 that the transfer of authority would take place before Christmas. The Soviet note of Nov. 27 eased the situation somewhat by its statement that if problems raised by the proposal to make West Berlin a demilitarized free city had not been solved at the end of six months, Moscow "envisaged that the German Democratic Republic, like any other independent state, must fully control questions concerning its space . . . on land, on water and in the air." More recently, Soviet diplomats have passed the word that even the six-month deadline need not be regarded as final, provided negotiations along lines considered promising by the Kremlin are opened before next June 1.

Prior to the present Berlin crisis the Western Big Three had made clear their purpose to keep their forces in Berlin notwithstanding any Soviet pressure for their withdrawal. Secretary of State John Foster Dulles told his press conference on Nov. 7:

We are most solemnly committed to hold West Berlin, if need be by military force. That is a very solemn and formal commitment to which the United States stands bound. I think as long as we stand firm there, and the Communists know we will stand firm, that there is no danger.

Since the Khrushchev speech of Nov. 10 and the Soviet note of Nov. 27, Dulles' stand has been reiterated both by the State Department and by the White House. Equal resolution has been manifested in London and Paris.

West Berliners appear to be fearful, not so much that the Western powers will back away from a clear test of strength, as that the city's legal position may be compromised in efforts to avoid a showdown with Russia. Morale in the Western sector of Berlin was reported to have been badly shaken by Dulles' intimation, Nov. 26, that the West might treat with East German officials as "agents" of the Soviet Union, if and when Khrushchev's plan to turn authority over to them was carried into execution. The West German government has said it would regard any dealing with the East Germans by the Western allies as tantamount to de facto recognition of the East German regime and,

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therefore, as a first step toward permanent division of the country.<sup>2</sup>

Three days after Khrushchev's proposal to make West Berlin a free city, reassurance was given Bonn and West Berlin by Secretary Dulles on emerging from a conference with President Eisenhower at Augusta, Ga. Speaking on behalf of the President, Nov. 30, he promised that "The United States will not enter into any agreement or embark on any course of conduct which would have the effect of abandoning the responsibilities which the United States, with Great Britain and France, has formally assumed for the freedom and security of the people of West Berlin."<sup>3</sup>

West Berliners responded in their municipal elections of Dec. 7 by delivering a crushing defeat to all Communist candidates. A 94 per cent turnout of West Berlin's 1,760,000 electors gave Red candidates only 1.9 per cent of the vote. East German Premier Otto Grotewohl said the next day that, however West Berliners might feel about it, Khrushchev's plans would be carried out.

#### PROBLEM OF ALLIED ACCESS TO WEST BERLIN

A more detailed warning was given ten days after the West Berlin elections by Albert Norden, member of the central committee of the East German Socialist (Communist) Unity Party. He said, Dec. 17, that while the Soviet proposal to make West Berlin a free city might be subject to negotiation, the transfer of authority pledged by Khrushchev on Nov. 10 was not; East German border guards would assume control of all land, air, and water routes across the 110-mile land barrier separating West Germany from occupied Berlin, without regard to any later decision on the status of the city itself.

If this actually happens, Great Britain, France and the United States will be faced with the problem of supplying

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<sup>2</sup> State Department spokesmen have said the Dulles remark was misinterpreted and greatly overplayed by the press. The text of the news conference at which it was made shows that the Secretary said: "We would certainly not deal with [East German officials] in any way which involved our acceptance of the East German regime as a substitute for the Soviet Union." Questioned as to whether "we might deal with them as agents of the Soviet Union," Dulles replied: "We might, yes. . . . It all depends upon the details of just how they act and how they function. . . . If [it] would involve acceptance of a substitution of the G.D.R. for the present obligation and responsibility of the Soviet Union, then that, I take it, we would not do."

<sup>3</sup> Similar pledges were offered by Vice President Nixon, British Foreign Secretary Selwyn Lloyd, and a host of lesser officials. Sen. Hubert H. Humphrey (D-Minn.) said he had stopped off in West Berlin on a European tour to demonstrate unanimity of American opinion.

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approximately 10,000 soldiers and 10,000 Allied civilians now in West Berlin. The choice will then lie between direct contact with East German officials and refusal to deal with any except Soviet officials. Defiance of East German authority could take the form of (1) an attempt to move supplies by armed convoy past East German checkpoints, involving the obvious danger of a shooting war, or (2) institution of an airlift similar to that which broke the 323-day Berlin blockade of 1948-49.<sup>4</sup>

The key question is what would happen if the Soviets relinquished to the East Germans their seat on the four-power Air Control Board which regulates flights into the city. Soviet representatives sat on the board all through the 1948-49 airlift and never contested the legality of that operation. Under agreements concluded in 1945 by military representatives of the occupying powers, Allied planes have the right to use three air corridors, each 20 miles wide, linking Frankfurt, Hamburg and Bueckeburg-Hanover with Berlin. Communist planes are supposed to keep out of these corridors. It is generally believed that the validity of the 1945 agreements will be challenged by the East Germans if and when they take over from the Russians. The West would then be forced either to treat abrogation of the air-corridor agreements as a unilateral (and therefore unlawful) act by the Russians or to arrange with the East Germans for continued observance of present rules.

East Germany has hinted that it might be prepared to accept the diplomatic fiction of non-recognition for a time, even in the presence of direct negotiations with the West. Walter Ulbricht, leader of the East German Communist party, told the *New York Times* on Nov. 29: "If . . . Mr. Dulles considers the East Germans as 'agents' of the Soviet Union, then that is a question of psychology. We are not greatly interested in what Mr. Dulles thinks; the main thing is that he act sensibly."

#### ECONOMIC VULNERABILITY OF WEST BERLIN

Apart from considerations of high policy, renewal of pressures on West Berlin will have and, indeed, is already

<sup>4</sup> The task of provisioning the 2.2 million civilian residents of West Berlin would be lightened in the event of a new blockade by an unexpected and unsolicited East German concession. West Germany received virtual assurance, in an addition to an interzonal trade pact for 1959, that civilian traffic to Berlin would not be interrupted even if the city were closed to the Western Big Three.

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having adverse effects on its economy. Well over 96 per cent of West Berlin's trade is with the West. In addition, the city is heavily dependent upon Western aid to offset an unfavorable trade balance which in 1957 approximated \$300 million. The Bonn government has been contributing between \$250 million and \$300 million a year to the West Berlin city government, and American grants now total more than \$30 million a year.<sup>5</sup> Orders placed with West Berlin business concerns by Federal Republic agencies add something over \$20 million to the city's gross income, and Allied spending in the city, not counting military procurement, has been estimated at \$25 million a year. In spite of such benefits, unemployment in West Berlin stood at 8.4 per cent in mid-1958, as compared with 2 per cent in the Federal Republic.

Although the Bonn government is urging that normal business relations with the harassed city be maintained, some purchasers of items for delivery six to nine months away are already taking their business elsewhere. A substantial flight of capital from West Berlin has also been reported. Prices of stocks of companies with head offices in the city fell sharply with the opening of the Kremlin's diplomatic offensive—in some cases as much as 40 per cent before West German banks stepped in to stabilize the market. Any substantial worsening of economic conditions in the city would call for a large increase in outside aid. The first step in that direction came Nov. 28 when the West German government announced it was immediately making available 415 million deutschemarks (\$100 million) in Marshall Plan "flow back" funds to buoy the city's sagging economy. The known vulnerability of West Berlin is believed to have been one of the factors that prompted the Kremlin's precipitation of the current crisis.<sup>6</sup>

#### **MOSCOW'S EXPECTED GAINS FROM BERLIN CRISIS**

While the Western powers have long regarded West Berlin as an invaluable "showcase of democracy" in a totalitarian land, to the Soviets this free-world enclave is, as Khrushchev told a press conference on Nov. 27, "a kind of cancerous tumor."

<sup>5</sup> U.S. aid in the current year includes \$7.5 million in "new" money and approximately \$25 million in "flow back" from revolving funds set up under the Marshall Plan.

<sup>6</sup> For earlier Soviet efforts to undermine West Berlin, see "Harassed Berlin," *E.E.R.*, 1953 Vol. I, pp. 181-197.



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Western withdrawal from Berlin under Russian pressure—an outcome which can hardly be expected even by Khrushchev—would close a psychologically broad gap in the Iron Curtain, and perhaps remove all hope of ever delivering Eastern Europe from Russian domination by peaceful means. Some observers think a Western retreat from Berlin also would bring collapse of the Atlantic alliance.

If the West remained in Berlin at the cost of dealing with the East Germans, the Russians would still receive handsome dividends. The prestige of the East German regime, whose leaders are regarded as the staunchest of Russia's supporters in satellite states, would be enhanced, and Poland would be reassured on the permanence of the Oder-Neisse frontier, which theoretically is subject to revision when a peace treaty is concluded with Germany. At the very minimum, the Berlin gambit is probably a death sentence for the present stand-off "settlement" in Central Europe, and the Western powers will now be obliged to review the negotiability of their position on German reunification.<sup>7</sup>

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### **East-West Conflict on Future of Germany**

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EVENTUAL independence and unity for Germany appears to have been contemplated, but was not explicitly promised, in the Potsdam agreement of Aug. 2, 1945. "For the time being," the agreement read, "no central German government shall be established." However, supreme authority in Germany was to be "exercised . . . jointly [by the-occupying powers], in matters affecting Germany as a whole," and the Big Four were to "prepare for the eventual reconstruction of German political life on a democratic basis and for eventual peaceful cooperation in international life by Germany." On the economic side, industry was to be decentralized "for the purpose of eliminating the present excessive concentration of economic power." But the conquered country was to be treated "as a single unit," and common policies were to be developed in such matters as wages, prices, foreign trade, central taxation, agriculture, and transportation.

<sup>7</sup> On Soviet goals, see "Germany and the Balance of Power," *E.R.R.*, 1955 Vol. I, pp. 399-416, and "European Security," *E.R.R.*, 1955 Vol. II, pp. 713-730.

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Big Four cooperation on Germany proved impossible, however, and it soon became apparent that East and West had been moving in opposite directions almost from the moment of occupation.<sup>8</sup> Steps to develop a unified policy in the parts of Germany occupied by Western forces began with the economic fusion of the British and American zones in January 1947. The currency reform of 1948 and participation of the British, French and U.S. zones in the European Recovery Program led gradually to political consolidation, culminating in proclamation on May 23, 1949, of the German Federal Republic. The separate military regimes were replaced in September by an Allied High Commission.

The Soviet government responded by proclaiming the German Democratic Republic and announcing nominal transfer of administrative functions to the new regime. The de facto division into two Germanys thus was all but complete by 1950. Subsequent events—inclusion of West Germany in the North Atlantic Treaty Organization and of East Germany in the Warsaw Pact—bulwarked the division. Meanwhile, there had been radical changes in positions of the Big Four on German unification.

#### HARDENING OF STANDS ON GERMAN REUNIFICATION

In the early stages, it was the Russians who wanted a strong, centralized government for Germany, expecting that it would be controlled politically by the Communist-led Socialist Unity Party. Western opinion on a future German government was divided. France wanted the Ruhr internationalized and the remainder of Germany united only in the loosest of confederations. Britain opposed detachment of the Ruhr but otherwise supported the concept of a federation of autonomous states. The American position, as developed by Secretary of State James F. Byrnes in the autumn of 1946, called for a type of federalism modeled on that of the United States.

The idea of reunification by free elections was first put forward by U.S. High Commissioner John J. McCloy in February 1950. His proposal was followed up in May with a three-power invitation to Russia to join in drafting an electoral law. Moscow reacted in October by abandoning earlier demands for an all-German plebiscite and pro-

<sup>8</sup> See "Future of Germany," *E.R.R.*, 1946 Vol. II, pp. 724-729, and "German Problem," *E.R.R.*, 1950 Vol. I, pp. 300-301.

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posing instead the formation of a constituent assembly that would set up a central government. The assembly was to be chosen on a basis of equality between the East and West German regimes.

Developments since 1950 have consisted more of elaboration than modification of positions held at the opening of the decade. At the Geneva summit conference in 1955, Nikolai Bulganin, then premier of the Soviet Union, assented to a heads-of-government declaration which recognized Big Four "responsibility for the settlement of the German question and the reunification of Germany . . . by means of free elections." However, at the foreign ministers' conference in October, V. M. Molotov made it plain that "the problem of European security" had priority in Soviet thinking and that no consideration would be given to reunification so long as West Germany was armed and remained a member of the Western camp.

Since the Russian proclamation of full sovereignty for the German Democratic Republic on Sept. 20, 1955, Soviet policy has aimed chiefly to force negotiations between the two Germanys on a level of sovereign equality. A companion Soviet announcement on Sept. 20 said the East Germans would be given control of all civilian traffic to and from Berlin, and West Germany was told by Walter Ulbricht that it would have to deal directly with the German Democratic Republic, "like it or not." Bonn, London, Paris and Washington all registered protests with the U.S.S.R., but the West Germans had little choice. While the government of Konrad Adenauer remains committed to a policy of non-recognition, actual contacts between the two German governments have been extensive.

Most of the East-West German contacts have been through the Treu Hand Stelle or interzonal trade commission in Berlin, a quasi-official body manned by government personnel. The first ministry-to-ministry conversations were held in May 1958 to discuss a transit tax levied by the East Germans on West German barge traffic—a tax which the West Germans eventually agreed to pay.

### **BIG FOUR ATTITUDES ON A GERMAN PEACE TREATY**

Eastern and Western attitudes toward negotiations on the future of Germany were set out in exchanges of notes which opened last September. The first of the notes, dated

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Sept. 4 and addressed by the East German regime to the Big Four, said that negotiation of a German peace treaty should be undertaken by two commissions, one representing the former occupying powers and the other "representing Germany." The Bonn government countered on Sept. 9 with a Bundestag resolution asking that the Big Four set up a special group to formulate proposals for solution of the German problem.

The Soviet Union on Sept. 18 rejected the West German suggestion and announced its approval of the East German plan. "In order to bring clarity into the matter," the note said, "the Soviet government considers it necessary to stress that the reunification of Germany is a domestic German concern and that any proposals designed to shift responsibility for the solution of this problem to the four powers can lead to no positive results." The Western powers, Sept. 30, endorsed the West German position, noting that "German representatives at any discussions about a peace treaty which were held in advance of the reunification of Germany would . . . have no power to commit a future all-German government to any of the conclusions reached."

The first modification of an earlier position came in a West German note of Nov. 17. While reiterating the contention that a four-power commission was the proper body to deal with the German problem, the Federal Republic conceded that "the question of German participation in the deliberations of a four-power working group, such as by calling in German experts, should be examined by the group." Some Western observers thought the concession more apparent than real.

One American correspondent surmised that "the Bonn government included the . . . sentence in full confidence that three of the four powers represented on the proposed commission would refuse any East German 'participation' in its affairs."<sup>9</sup> The London *Economist*, forecasting the content of the note two days before it was made public, said it "abandons a good many dogmas. . . . The dogma that there must be no contacts with the East German regime has begun to be eroded."<sup>10</sup> Discounting this view, some diplomats in Washington pointed out that Bonn's note of Nov. 17 merely acknowledged the accepted practice of un-

<sup>9</sup> Arthur J. Olsen in the *New York Times*, Nov. 18, 1958, p. 9.

<sup>10</sup> "Mr. Khrushchev and the Germans," *The Economist*, Nov. 15, 1958, p. 577.

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official consultations with uninvited parties which is a regular feature of any limited international conference.

On the basis of present positions, any East-West negotiations on the future of Germany would open with an all-accounts deadlock. The West has been arguing, in summary, that a German peace treaty is, in the first instance, the responsibility of the victors and that Germany cannot become a party to negotiations until an all-German government has been established by free elections. Moreover, a reunited Germany must be left free to determine its own international relationships subject to controls or commitments which might be embodied in the peace treaty itself.

The Soviet position has been that German unification is the responsibility, not of the powers, but of the opposing West German and East German regimes, which must meet around the bargaining table in a status of sovereign equality. Beyond this, the Soviet price for a final German settlement has been withdrawal of the Federal Republic from the North Atlantic Treaty Organization and permanent prohibition of nuclear weapons on German soil.

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### **German Roles in World Power Blocs**

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THE hardening of Eastern and Western positions on the German problem parallels the progressive integration of the two Germanys into the hostile East-West power systems. This integration reached a decisive stage with the incorporation of West Germany into the North Atlantic Treaty Organization on May 6, 1955, and of East Germany into the Warsaw Pact eight days later. Since these events, each of the two Germanys has come to occupy a vital place in its power complex. NATO leaders regard West Germany as the bulwark of the so-called "shield force" for Western Europe. When German rearmament is completed in 1961, Bonn is scheduled to supply 12 of the 30 divisions which NATO Commander Gen. Lauris Norstad regards as the minimum force required in Europe.<sup>11</sup>

<sup>11</sup> NATO now has 19 to 21 divisions at its disposal, not all of them at full strength. The West German defense minister told a meeting of NATO parliamentarians in Paris Nov. 19 that seven German divisions have already been incorporated into NATO and two more will be assigned before the end of 1959.

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### ECONOMIC BOOM AS LURE TO SATELLITE PEOPLES

West Germany has joined the six-nation European Coal and Steel Community, the European Economic Community or Common Market, and the European Atomic Community. In each case, the Federal Republic is the backbone of the organization. In 1957, for example, West Germany turned out 63.6 per cent of the coal, 46.7 per cent of the crude steel, and 43.4 per cent of the electric power produced by the Six.<sup>12</sup> West German foreign trade, totaling just over \$16 billion in 1957, was roughly half again as large as that of France, the next most active partner; in addition, West Germany was the only one of the Six to maintain a favorable trade balance last year. In the wider context of the European economy, West Germany in 1957 had a two-way trade with Britain of \$1.2 billion, with Switzerland and Sweden of approximately \$900 million each, with Austria and Denmark of \$633 million and \$479 million, respectively.

West German recovery, supported in the first instance by Marshall Plan funds and more recently by the native strength of a relatively free economy, has been spectacular. Industrial production in West Germany increased 245 per cent from 1948 through 1956, industrial employment rose 64 per cent, and productivity climbed 114 per cent. The gross national product, which totaled 97.2 billion deutsche-marks (\$23.1 billion) in 1950, rose to 209.6 billion deutsche-marks (\$49.9 billion) in 1957. Per capita consumption expanded by 59.3 per cent between 1950 and 1957.

Such evident success, achieved in an atmosphere of political freedom, exerts a powerful pull on peoples behind the Iron Curtain. Through July 1958, a total of 2,102,105 refugees from East Germany had registered at reception centers in the Federal Republic. Altogether, West German officials estimate that 10 million persons, fully one-fifth of the West German population, were once residents of Eastern Europe. In recent months, the flow of refugees has included significant numbers of intellectuals—approximately 3 per cent of the total or double the proportion of the previous two years.

Defections of professional people have been a matter of serious concern to the East German hierarchy. Figures for the first eight months of 1958 listed among the refu-

<sup>12</sup> Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany.

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gees 813 physicians, 114 pharmacists, 124 university professors, and 1,400 other teachers. Sources in Bonn report that the East German health service, already suffering from a shortage of doctors, is nearing the point of collapse. According to these sources, there is only one doctor for each 10,000 people in East Germany compared to West Germany's ratio of 1 to 900.

### IMPORTANCE OF EAST GERMANY TO SOVIET SYSTEM

East Germany's importance to the Soviet bloc is more difficult to measure. One student of East European affairs has written: "The Soviet leaders regard East Germany as more vital to the U.S.S.R. than any other part of their empire: at best they see in it a potential springboard for expansion into Western Europe; at worst it would serve as their most potent bargaining weapon for negotiating a global settlement with the West. Hence, in a very real sense, East Germany is the touchstone of Soviet external policy."<sup>13</sup>

Statistics on East Germany's present strength, when available, are often incomplete and usually unreliable. East Germany's military strength, for example, has been placed at anywhere from 110,000 men (the acknowledged strength of the Nationale Volksarmee) to 727,000 (the estimate of West German Defense Minister Strauss). NATO sources estimate the number of East Germans in military and para-military units at 393,000. This compares to a present West German strength of approximately 121,000.

In the economic sector, East Germany's achievements have been considerable though their magnitude is uncertain. Official East German statistics report a gross national product of 51.7 billion East German marks (\$3.1 billion) in 1950, doubling to 104.1 billion East German marks (\$6.2 billion) in 1957. Personal consumption is said to have risen by 77.5 per cent in the eight-year period. However, Western sources believe that the recovery rate has been only about half that asserted and "while living standards appear to have improved . . . the improvement is considerably less than officially claimed and still leaves the East German consumer, in both the rural and the urban industrial areas, with a lower standard of living than before the war."<sup>14</sup>

<sup>13</sup> W. K., "East Germany: Soviet Rampart or Achilles' Heel?", *Problems of Communism*, March-April 1957, p. 38.

<sup>14</sup> *Ibid.*, p. 41.



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Since the announcement on Jan. 1, 1956, of integrated five-year plans for the entire East European bloc, a sustained drive has been under way to incorporate the East German economy into that of the Soviet bloc. East German responsibility, within the "international division of labor" contemplated by the joint planning program, was for heavy engineering, heavy chemicals, and mechanical, optical and electro-chemical equipment. Soviet and East German representatives on July 7, 1958, signed a seven-year agreement providing for stepped-up delivery of raw materials by the Russians; in exchange the East Germans are to deliver increased quantities of machinery, chemical equipment, railroad cars, Diesel engines, ships, chemicals, hosiery, furniture and other products. Soviet Premier Khrushchev, speaking in East Germany on July 9, told an audience of chemical workers that the division of labor would allow the Russians to profit from East Germany's "great traditions in the field of chemistry" while the East Germans would benefit from "tremendous soft coal resources in Siberia."

While asserting that living standards have improved under Communism, East German authorities have shown increasing concern over the drabness of life on their side of the line. Party leader Ulbricht proposed in October 1957 that more facilities be devoted to production of consumer goods. Although Western experts questioned whether this could be reconciled with commitments for expansion of heavy industry, the Ulbricht proposal was repeated to a Communist Party congress in East Berlin last July. In fact, the party boss recommended adoption of a resolution setting 1961 as the year in which East Germany would overtake West Germany in per capita production for consumers.

Rationing of food, which had been in effect continuously since 1939, was ended in East Germany last May. Some Western observers report that the standard of living in East Germany, while well below that of Western Europe, appears to be the highest in the satellite bloc, and there seems to be little doubt of Moscow's purpose to make East Germany a showpiece for the Soviet system against the day when Konrad Adenauer is no longer on the scene in Bonn and the West German boom has lost its momentum.



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## Permanent Division vs. German Reunification

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WESTERN EXPERTS on German affairs believe that future developments will bring surprises for which peoples of the Western democracies are unprepared. They doubt that a clear understanding of the German problem as it actually exists can be gained from even the most careful reading of exchanges of notes, statements by government officials, or propaganda broadcasts from European capitals. The realities may be quite different from those on which either Western or Eastern policies are now based; consequently positions held with great tenacity today may not be the positions of tomorrow.

One long-range aspect of the situation which is often overlooked has been clearly brought out by Walter Lippmann, who wrote in his syndicated column of Dec. 2, 1958:

It is reasonable to assume that the Soviet operation in Berlin is addressed to the German successors of Dr. Adenauer and to the American successors of Mr. Dulles. That is why the gambit in Berlin is only the beginning of a long game. Unless all signs fail, Dr. Adenauer's successors in West Germany, though they are as anti-Communist as he is, will move away from his absolute position to one in which negotiations with East Germany and with the Soviet Union can take place.

Chancellor Adenauer will be 83 on Jan. 5, 1959, and whoever succeeds him<sup>15</sup> will have the task of building a popular majority without benefit of Adenauer's enormous personal prestige. Adenauer has long been considered stronger than his party. At times the polls have shown a clear lead for the opposition Social Democrats over the Christian Democratic Union, though never a lead for its leader, Erich Ollenhauer, over Adenauer.

While the Chancellor's subordinates are all committed publicly to reunification of Germany by free elections and, equally, to the maintenance of present ties with the West, there is reason to wonder whether this combination of principles can long survive Adenauer. The Soviet Union is not likely to submit voluntarily to a "rollback" in East

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<sup>15</sup> Current speculation on the line of succession in Adenauer's Christian Democratic Union centers on three men. They are the Vice Chancellor and Minister for Economics, Ludwig Erhard, 61; Defense Minister Franz Josef Strauss, 43, and Foreign Minister Heinrich von Brentano, 54.

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Germany. Thus, given the C.D.U.'s present refusal to consider loosening its military ties with the West, "free elections" becomes a formula for perpetuating division.

The Social Democrats at their party congress in May moved perceptibly toward accepting parity between East and West Germany. Within the Adenauer cabinet itself, Ernst Lemmer, minister for all-German affairs, has been widely reported to favor more frequent and more direct contacts with the East German regime. Beyond this, the West German Foreign Office, as long ago as April 1957, was said to have had under consideration as subjects of study and planning—"the opening of diplomatic relations with Warsaw and Budapest and a withdrawal from NATO as the price for reunification."<sup>16</sup>

So far, West Germany has been demanding reunification on its own terms. The questions for the future are, first, what price is West Germany willing to pay for reunification; second, will a price acceptable to Bonn be high enough to satisfy Moscow, and, if the answer to the second question is "yes," then what form is reunification to take?

#### POLITICAL AND ECONOMIC OBSTACLES TO GERMAN MERGER

The last question raises the further question whether complete amalgamation of East Germany and West Germany is any more acceptable to West Germany than it is to the Communists. The suspicion has grown that the Christian Democrats, despite their public declarations, have definite reservations on a merger. Integration of the East German and West German populations would rudely upset the present balance of economic, political, and social forces in West Germany.

Christian Democratic power in West Germany depends heavily on the Catholic vote. Excluding West Berlin, Catholics comprise approximately 45 per cent of the population, Protestants approximately 51 per cent. The East German population is 12 per cent Catholic, 73 per cent Protestant. Moreover, it is distinctly possible that under an amalgamation many East Germans would retain Marxist leanings.

A survey published by the *Frankfurter Allgemeine Zeitung* in March 1957 disclosed that even among those

<sup>16</sup> Claus Jacobi, "German Paradoxes," *Foreign Affairs*, April 1957, p. 440. Jacobi, Washington correspondent for *Der Spiegel*, formerly represented that news magazine in Bonn.

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fleeing East Germany the proportion of convinced Marxists and Marxist sympathizers was alarmingly high. The survey, conducted for Bonn's Ministry of All-German Affairs and based on individual interviews with refugee industrial workers, revealed "that 35 per cent of those questioned were completely or overwhelmingly Marxist." The newspaper report continued that "Twelve per cent were 'carriers of the Marxist ideology.' Seventeen per cent had Marxist ideas—predominantly though not consciously. Six per cent were 'convinced Communists.'" Presumably, the Marxist attachments of those remaining behind in East Germany would be even stronger. Such evidence calls into question the official view that the great majority of East Germans are bitterly opposed to Communism and would make common cause with the West if given the chance.

Another obstacle in the way of amalgamation, say those who consider complete reunification unlikely, is the differing economic postures of the two German regimes. West Germany has been developing steadily in the direction of a free market economy. East Germany, on the industrial side at least, has been refitted to a socialist pattern. Putting the two together would require the scrapping of most, if not all, long-range plans for the West German economy. This scrapping might include current commitments to the European Coal and Steel Community, the Common Market, and the Organization for European Economic Cooperation, groupings which during the first six months of 1958 took 62 per cent of West Germany's exports and supplied 52 per cent of her imports.<sup>17</sup> How a united Germany would fit into the Western European economy (or the Soviet economy) is at this point very nearly anybody's guess.

A further economic sacrifice that would have to be considered is the likelihood that political realities would compel partial subsidization by the West Germans of the standard of living in East Germany; also maintenance of a recovery program at least equal to that carried out under the Communists. When the balance sheet on reunification is struck, the argument runs, West Germans may think twice about exchanging present prosperity for political and economic troubles of unknown dimensions.

<sup>17</sup> In addition to the six nations in the E.C.S.C. and the E.E.C. or Common Market, members of the O.E.E.C. include Austria, Denmark, Greece, Iceland, Ireland, Norway, Portugal, Sweden, Switzerland, Turkey, and the United Kingdom. Canada, Spain, and the United States are associate members.

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The London *Economist* on Nov. 15 expounded the theory that Chancellor Adenauer's policies were "based on a de facto acceptance of the German schism. . . . He, too, like Mr. Khrushchev, wishes to maintain a status quo. He has little sense of, and perhaps little interest in, the larger Germany and Europe that stretch eastward." Those who accept this view do not doubt the firmness of the Adenauer-Dulles commitment to reunification through free elections. However, in the very firmness of the commitment, it is argued, lies its essential convenience. For it postpones recognition of the consequences inherent in the choice which must finally be made between total alignment of West Germany with the West and accommodation with the East.

#### EUROPEAN PRESSURES FOR MILITARY DISENGAGEMENT

Beneath the surface solidity of the Western position, pressures are accumulating for abandonment of the formula of free elections and the right of a united Germany to choose its own alliances. Many European observers report a spreading fear among the smaller NATO allies, notably Denmark and Norway, that integration of East and West Germany into opposing military blocs has heightened the danger of war. The West Germans themselves are said to be turning restive at the prolonged delay to a German settlement.

Wilhelm Wolfgang Schutz, former political adviser to Adenauer's ministry of all-German affairs, wrote recently:

The Germans cannot endure [division in Europe]. Any symptoms that might indicate the contrary are misleading—in the long run. . . . The overwhelming majority of the German people are fully dedicated to the fact that their divided country has a common fate. . . . [But] when most of the solutions officially put forward are examined seriously they are seen to be based on the hypothesis that one side would allow itself to be forced into accepting a substantial reduction in power by consenting to the substantial strengthening of the power of its opponent.<sup>18</sup>

Although demands for fresh approaches to the German question have come mostly from leaders of minority parties, they have received considerable attention in the European press. The minority views are said by usually competent observers to represent long-range political threats to the majority. The Social Democrats, in rejecting a request

<sup>18</sup> Wilhelm Wolfgang Schutz, "New Initiatives for a New Age: A German View," *Foreign Affairs*, April 1958, pp. 465-467.

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by Adenauer for adoption of a common front on foreign policy, said on Dec. 3 that they could not accept so long as the Chancellor's position remained one of "participating in the atomic armaments race, of systematically rejecting any attempt to make a German contribution to relaxation in Europe, and of ignoring the many changes in the international situation since 1952."

Similarly, in Great Britain, the Labor Party, under Party Leader Hugh Gaitskell and "shadow" foreign minister Aneurin Bevan, has been pressing for a program which would lead to dropping West Germany's commitments to NATO in exchange for a relaxation of tensions. Gaitskell's plan, outlined to the Ernst Reuter Foundation in West Berlin on March 18, 1957, called for withdrawal of all foreign troops from Germany, Poland, Czechoslovakia and Hungary, release of West Germany from NATO and of East Germany from the Warsaw Pact, and the guarantee of buffer zone frontiers by the Big Four. These mutual concessions, Gaitskell said, would permit reunification of Germany through free elections.

In the United States, the idea of buying German reunification with neutralization has received scant public support. The proposals for "disengagement" advanced by George F. Kennan, former chief of policy planning in the State Department, in a radio lecture series in November-December 1957 were severely criticized at the time.<sup>19</sup> Kennan supplements his original arguments in an article, "Disengagement Revisited," in the January 1959 number of *Foreign Affairs*. He expresses belief that "the basic elements of compromise are actually present in the realities of the European situation." While admitting that prospects for a general settlement are "anything but promising," Kennan urges a Western position of "utmost liberality, scope, and flexibility . . . a real readiness to compromise where compromise is permissible."

### EDEN-RAPACKI APPROACHES TO COMPROMISE SETTLEMENT

On the official level, the closest East-West approaches to mutually negotiable positions on a European settlement are represented, on the one hand, by the so-called Rapacki plan and, on the other, by the Eden plan. Originally ad-

<sup>19</sup> Notably by former Secretary of State Dean G. Acheson in "The Illusion of Disengagement," *Foreign Affairs*, April 1958, pp. 371-382.

vanced at Geneva in July 1955 by the then head of the British government, the Eden plan was revived in December 1958 by British Foreign Secretary Selwyn Lloyd.

As outlined to the House of Commons Dec. 4, British policy continues to call for reunification of Germany through free elections, with a reunited Germany still free to keep its alliances with the West. After reunification, however, Western troops would be excluded from what is now East Germany, leaving that territory to serve as a buffer between Poland and the Soviet Union and Western Europe; ground controls and aerial inspection would be established in Central Europe to prevent surprise attack; existing armaments would be curtailed at an agreed level "in as large an area as possible." While still quite close to the current position of Dulles and Adenauer, the Eden-Lloyd plan does accept implicitly the Soviet insistence that further discussion of German reunification must be coupled with a study of general security arrangements for Central Europe.

The Rapacki plan, as put forward in modified form on Nov. 4, takes note of Western fears that de-nuclearization of Central Europe would leave West Germany helpless in the face of Communist aggression.<sup>20</sup> The revised plan divides the process of de-nuclearization into two stages. In the first stage, Poland, Czechoslovakia and the two Germanys would be barred from receiving or producing nuclear weapons. Existing nuclear installations of the United States and the Soviet Union would not be eliminated until agreement is reached on conventional disarmament.


The Rapacki plan does not contemplate reunification of Germany. A Polish memorandum of Feb. 14, 1958, detailing the original proposal, said that "For the purpose of supervising the implementation of the proposed obligations, an adequate control machinery should be established . . . not excluding *ad personam* appointments by organs of the North Atlantic Treaty Organization and the Warsaw Treaty." This sentence was interpreted as looking to representation of a sovereign East Germany on the control group.

The British and Polish proposals still leave a wide gap between East and West, and there is no present indica-

<sup>20</sup> For the original Rapacki plan and initial Western reactions, see "Military Disengagement," *E.R.R.*, 1958 Vol. I, pp. 144-149. The plan takes its name from Adam Rapacki, Polish foreign minister, who first suggested it to the United Nations General Assembly on Oct. 2, 1957.

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tion that either side is ready to accept the other's compromise plan, even as a starting point for negotiations. The Russians rejected the Eden plan when it was first proposed, and they are considered no more likely to accept it in present circumstances. Western representatives at the Geneva technical talks on surprise attack, which recessed in deadlock Dec. 18, were no less adamant in their refusal to discuss the Rapacki proposals. For that matter, the United States and West Germany would have to move some distance from their present positions even to harmonize with the Eden-Lloyd plan. And as recently as Dec. 2, Chancellor Adenauer told his Christian Democrats: "We must stick to the present view that a peace treaty can be concluded only with an all-German government that originates from free elections."







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